Why Peering

This section of the Toolbox describes the importance of peering.

Network Operator Goals

In the previous section, we learned how Network Operators fit into the global Internet ecosystem.

We also learned that they can peer with other networks, or buy transit from other networks, or both.

The Importance of Peering

Costs

The commercial part of the Internet is highly competitive with many network operators vying to provide the highest quality service to their end users at the lowest possible cost.

Apart from staff and equipment costs, the other significant cost of providing Internet access is to get that access to the whole of the Internet.

The simplest way of getting access to the whole Internet is to pay someone else to do it for you. That's a typical transit service that a new network operator would buy. But it is expensive, especially as traffic levels increase.

Peering has no traffic charges, and so the more peering an operator can achieve, the lower the cost of traffic charges paid to the transit provider. This reduction in operating expenses (OpEx) means better value Internet access for customers, or more financial ability to invest in newer/bigger/better infrastructure, or hiring more staff, or a combination of all of these.

References

This content is sourced from many contributors, including:

- Value of Peering Presentation - Philip Smith
- Network Startup Resource Center
- Input from Mark Tinka, Kurt Erik Lindqvist, etc

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